

THE HON'BLE Ms. JUSTICE G.ROHINI

WRIT PETITION NO: 15959 of 2006

Dated: 01-08-2006

Between:

Smt. Vasimalla Ratna Kumari

..... PETITIONER

AND

Andhra Bank,
Rep., by its Zonal Manager,
Guntur and two others.

.....RESPONDENTS

THE HON'BLE Ms. JUSTICE G.ROHINI

WRIT PETITION NO: 15959 of 2006

ORDER:

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This writ petition is filed seeking a declaration that the sale proceedings initiated by the respondents in respect of petitioner's house bearing Dr.No.11/13 in Block No.11 of Gurralachavidi, Chilakaluripet, Guntur District vide tender notice dated, 28-06-2006, is arbitrary and illegal.

The petitioner states that she had availed a loan of Rs.2,00,000/- from the respondent-Bank in the year 2001 repayable in equal monthly installments at Rs.3,356/- per month commencing from the year 2001 to 2010. However, due to financial difficulties, she could not pay some installments continuously during the years 2001 and 2002, though subsequent installments are being paid regularly. While so, the respondents having invoked the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, issued the impugned sale notice dated 28-06-2006 inviting tenders from the public for sale of the petitioner's house. In the said sale notice, it was stated that the petitioner became a defaulter in payment of a sum of Rs. 2,33,813/- against her loan account. The reserve price of the house sought to be sold was shown as Rs.2,80,000/-. Immediately, the petitioner approached the respondents and made a representation dated 17-07-2006 to drop the sale proceedings on receipt of 25% of the sale amount

notified in the tender notice. Since the respondents did not consider her requesting and were proceeding with the sale of her residential house under the impugned tender notice, the petitioner filed this writ petition.

I have heard the learned counsel for both the parties and perused the material on record.

The learned counsel for the petitioner submitted that the loan amount is repayable in equal monthly installments during a period of ten years commencing from the year 2001 to 2010. The learned counsel also contended that though it is a fact that the petitioner committed default in payment of some installments, from the year 2003 onwards she has been regularly paying the installments and therefore, extreme step for sale of the house property is unwarranted and unjustified.

Sri Nuty Rammohana Rao, who accepted notice on behalf of the respondents, did not dispute the fact that as on today, the petitioner has been regularly paying the monthly installments.

Having regard to the facts and circumstances of the case and keeping in view that the loan amount is repayable in equal monthly installments till the year 2010 and the undisputed fact that as on today the petitioner has been regularly paying the monthly installments and particularly the offer made by the petitioner that she is ready and willing to pay 25% of the sale amount as notified in the tender notice, I am of the opinion that the sale proposed under the impugned tender notice is unwarranted.

Accordingly, the impugned sale notice dated 28-06-2006 is set aside subject to the condition that the petitioner pays 25% of the sale amount notified in the tender notice within a period of four weeks from today and continues to pay the equal monthly installments as agreed upon. In case, there is any default in complying with the above directions, it is open to the respondents to take appropriate steps in accordance with law.

The writ petition is accordingly disposed of. No costs.

G. ROHINI, J

Dated: 01-08-2006

Note: Issue C.C. by tomorrow.

B/o

KLP